

1964

CONGRESSIONAL RECORD — APPENDIX

ance for Progress. I am confident my colleagues will find of considerable interest his report on the Current Status of Labor Programs in Latin America, issued as of February 28, 1964, which I include herewith:

CURRENT STATUS OF LABOR PROGRAMS IN LATIN AMERICA, FEBRUARY 28, 1964

Remarkable progress is now being made on labor projects within the Alliance for Progress. The construction of workers' housing through trade union cooperatives is spurred on by a pledge of \$56,250,000 from AFL-CIO affiliates' retirement and welfare funds, supported by 100 percent AID housing investment guarantees. From these funds, a \$10 million AFL-CIO loan, added to \$4 million supplied by the Mexican workers, enabled the Graphic Arts Workers of Mexico to inaugurate the building of 3,104 housing units for their members. Another AFL-CIO loan in the amount of \$3 million, together with \$6 million to be supplied by AID, will be used to finance the establishment of a workers' bank in Peru; the Inter-American Development Bank will undertake the financing of the initial administrative costs to the extent of \$100,000 for a 2-year period. These are among the most dramatic programs now in process under the aegis of the American Institute for Free Labor Development Social Projects Department. The IDB has earmarked another \$15 million for union housing projects in Columbia, Bolivia, El Salvador, Honduras, and the Dominican Republic through the American Institute.

The American Institute for Free Labor Development has been in operation for 20 months, under the sponsorship of the AFL-CIO. The institute works closely with the free and democratic trade unions of Latin America and is dedicated to improving the lot of the rank and file workers and the environment in which they live. It has also been able to secure the active cooperation of governments and of business.

The Institute at the present time has two principal activities. The first is education and the results have been impressive: 3,668 labor leaders have received training under a hemisphere-wide system which includes education centers in 12 Latin American countries—Argentina, Bolivia, Brazil, Chile, Colombia, Dominican Republic, Ecuador, Honduras (Regional Center for Central America and Panama), Jamaica (Regional Center for the English-speaking West Indies), Peru, Uruguay, and Venezuela; 206 leaders have been trained at the center in Washington in a course which includes 3 months of intensive study followed by 9 months of paid internship in the respective home country working on specific union projects.

The second activity of the American Institute is in assisting trade unions in Latin America to develop feasible projects for presentation to local, private international, or U.S. Government sources of financing. The results of the activities of the Social Projects Department are described above. The Latin American trade union requests for assistance on projects which would engender a high ratio of "self-help" effort now number 108, covering housing, medical, producer and other forms of cooperative development, as well as vocational training, workers' banks and community type projects. The requests for housing alone would amount to loans of \$330 million, if fully implemented.

Labor is becoming an integral part of the Alliance for Progress machinery; the creation of the Special Committee of the Inter-American Economic and Social Council on Labor Affairs will accelerate this effort through the decisions of the second meeting of the IA-ECOSOC in Sao Paulo, November 1963, following the recommendations of the Inter-American Conference of Ministers of Labor held in Bogotá in May 1963 (the first

such meeting in Latin America). The Committee on Labor Affairs will carry out the principles of the Charter of Punta del Este and the recommendations of the Labor Ministers (Declaration of Cundinamarca), "with special attention to the suggestions and measures concerning the role of ministers of labor and democratic trade unions in national programs for economic and social development."

(See the report on the first meeting of the committee held in Lima, Peru, Jan. 31-Feb. 6, 1964.)

It is clearly the U.S. purpose that the workers of Latin America have the opportunity to share increasingly in the benefits of the Alliance programs through their creative participation in the development process in order to accelerate the necessary change and reform. There exists within the U.S. Government today an almost unprecedented degree of unanimity and collaboration for the purpose of achieving this objective. To secure this cooperation a bold departure was required. Early in the days of President Kennedy's administration, a unique organizational structure was devised and was operating successfully within a very short time, harnessing governmental and private initiatives, primarily of organized labor in this country, and eliminating problems of jurisdiction.

The efforts and interests of the various agencies of the U.S. Government have reached a high degree of coordination through an interagency Latin America Labor Committee, established by the Secretary of State in 1961. The committee examines specific problems in the Latin American labor area, reviews the general effectiveness of overall labor activities of the United States in Latin America, and proposes complementary action as appropriate. It is charged with keeping activities under continuing review in order to insure that recommended programs are carried out and needed modifications are made to meet changing circumstances.

Some of the projects in which the IDB is participating are illustrated above. Examples of earlier projects include loans for workers' housing in Argentina, Chile, and Colombia. Other organizations are participating, notably the International Labor Organization and the Pan American Union. The ILO has extensive activities on both regional and national bases and also administers labor projects in the amount of \$11 million financed jointly by the special fund of the United Nations and by the Latin American countries themselves; these projects include the provision by the ILO of experts for a total of 2,200 man-months.

National trade union advisory committees are being established in the various countries of Latin America, pursuant to agreement in IA-ECOSOC. An Inter-American Training Center for Ministry of Labor Personnel which is in the process of being created in Lima, Peru, and other regional training centers such as the center for research on vocational training in Montevideo, are indicative of the new initiative of labor in the Alliance for Progress.

Foreign Steel Imports

EXTENSION OF REMARKS

OF

HON. J. EDGAR CHENOWETH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 11, 1964

Mr. CHENOWETH. Mr. Speaker, the rapid increase in foreign steel imports is

a matter of great concern to this Nation. I wish to include as part of my remarks a statement made by Rudolph Smith, of Denver, executive vice president of the Colorado Fuel & Iron Corp., before the U.S. Tariff Commission on February 20, 1964. Mr. Smith calls attention to the adverse effect of these imports on the C.F. & I., and similar steel companies.

The main plant of the Colorado Fuel & Iron Corp. is located in my district in Pueblo, Colo. This is a subject in which I am intensely interested. I feel that we should take every possible step to protect our domestic steel industry from these foreign imports.

Mr. Smith's statement follows:

STATEMENT BY RUDOLPH SMITH, EXECUTIVE VICE PRESIDENT OF THE COLORADO FUEL & IRON CORP., DENVER, COLO., BEFORE THE U.S. TARIFF COMMISSION, FEBRUARY 20, 1964

Mr. Chairman, members of the Commission, I am Rudolph Smith, executive vice president of the Colorado Fuel & Iron Corp. I started to work for C.F. & I. at our Pueblo, Colo., steel plant in 1927 and have held such jobs as engineer, superintendent open hearth department, works manager, and vice president operations. I am deeply interested in the welfare of steelworkers.

C.F. & I. has a vital interest in the forthcoming GATT negotiations as a member of the American steel industry and, more specifically, because of the adverse effect of the import-export imbalance upon our company in particular. We welcome this opportunity to present the facts underlying our position to this Commission.

There will, of necessity, be some duplication in the matters covered by our statement and statements made earlier by representatives of other steel companies, because the basic facts pertinent to our industry in general are equally pertinent to our company. We will try to minimize duplication by limiting this statement to carbon wire rods, wire and wire products, and deformed concrete reinforcing bars, and also by relating the problems created by imports to C.F. & I. in particular.

C.F. & I. has been manufacturing and distributing steel and wire products since before the turn of the century and now has plants at Pueblo, Colo., South San Francisco, Calif., Trenton and Roebbing, N.J., and Palmer, Mass. The importance of C.F. & I. to the Rocky Mountain area in particular and to other areas is considerable in terms of the employment furnished, products produced, and the general welfare. C.F. & I. products serve the basic industries of the West, such as mining, agriculture, transportation, construction, and others, as well as reclamation and defense projects. It is of vital importance to the employees of C.F. & I., its shareholders and to the general public that our company remain strong and vital in both its western and eastern divisions. In this regard, reference is made to the fact that the Department of Labor has classified Pueblo, Colo., and Palmer, Mass., as areas of substantial unemployment.

Steel imports into the United States reached an all-time high in 1963. This fact alone merits serious consideration when tariff reductions are discussed. It is particularly significant for C.F. & I. in view of the tremendous scope of imports of products covered by this statement.

Let us consider the import situation relative to these specific products, as shown on page 11 of our brief. There were 305,000 tons of wire rods, wire and wire products, and reinforcing bars imported in the 5-year period 1933 through 1937; only 23,000 tons in the 5-year period 1943 through 1947; and 8 million tons in the 5-year period 1958 through 1962. As a consequence, in this lat-

ter period, an average of 12,000 U.S. steelworkers per year were displaced by foreign steel imports.

U.S. exports of these same product categories, on the other hand, were 823,000 tons in the 5-year period 1933-37; 2,750,000 tons in the 5 years of 1943-47, and only 308,000 tons in the period 1958 through 1962.

The highest employment of American steelworkers in producing wire rods, wire and wire products, and reinforcing bars for export was an average of 4,000 per year in the 5-year period 1943 through 1947. In the years 1958 through 1962 exports provided employment for an average of only 460 steelworkers per year.

This trade imbalance is also reflected by the present position of American steel producers in relation to the world steel market.

The U.S. share of the world steel market has steadily declined from 48 percent in 1950 to 25 percent in 1962. More specifically, the U.S. share of the world trade in the products which are the subject of this statement has also declined in the face of an increasing world market.

Imports of the basic product lines covered by our brief were about two million tons in the year 1962, which would have provided employment for over 14,000 full-time steelworkers. American exports of these same products in 1962 were only 98,000 tons. Further, the exhibits to our brief show that in 1962 imports accounted for substantial portions of the domestic market. Imports of foreign wire rods represented 39.2 percent of the domestic consumption of this product by the United States. With respect to other product lines, imports are now supplying the domestic market to the following extent:

Percentage of U.S. Domestic Consumption—1962

| Commodity: | Percent |
|-----------------------------|---------|
| Wire nails and staples..... | 48.1 |
| Drawn wire..... | 8.3 |
| Reinforcing bars..... | 20.4 |
| Woven wire fence..... | 38.9 |
| Barbed wire..... | 47.6 |

When it is considered that 38 percent of C.F. & I.'s production at its fully integrated plant in Pueblo consists of products covered by our brief, and that there is an even greater percentage in wire and wire products produced at its other plants, the adverse impact of imports upon this company is both obvious and serious.

Several factors have contributed to the trade imbalance faced by this company and other steel producers. The fact that the tariff rates of the United States on steel products have declined steadily from 1930 has made our country the prime target of excess foreign production. U.S. tariff reductions on all steel products during this period have averaged more than 50 percent. On the other hand, tariff rates imposed on many steel products by other countries have been substantially higher than the rates of the United States. In addition, ECSC countries have recently increased their tariff rates to 9 percent. There are also numerous and highly restrictive foreign nontariff barriers, some of which are listed in our brief, and the imposition of foreign tariffs on a CIF basis rather than on the f.o.b. value creates an average increase of 10 percent in foreign over United States effective tariff protection.

The average hourly employment costs of steelworkers in the United States are much higher than those of other steel producing countries, as shown by the tabulation on page 28 of our brief. It should be stressed that C.F. & I. recognizes the importance and skills of its steelworkers and willingly assumes a strong responsibility for the economic well-being of its people. The American steelworker has achieved a remarkably high standard of living and we have no desire or intent to reduce that standard.

However, the trade imbalance in steel constitutes a threat to the living standards of these steelworkers. Further encroachment of foreign imports on U.S. domestic markets can only lead to greater unemployment in the steel industry, and particularly in the product categories discussed in this statement.

In recent years, foreign countries have constructed entirely new steel plants or modernized numerous existing facilities. U.S. financial and technical assistance has helped make many of these projects possible. As the steel capacity of these countries exceeded their domestic requirements, the countries began to distribute an increasing part of the excess production to U.S. markets. Low tariff rates, higher prices of American steel products, and general freedom from nontariff barriers, were conducive to their plans for export expansion. Also, some foreign producers have followed the practice of selling their products in the U.S. market at prices lower than in their home market. The foreign producer in addition has the advantage of having his home market protected by higher tariffs and nontariff trade barriers.

World steelmaking capacity exceeds world demand, and with new steel capacity being added, foreign steel producers will continue to intensify their export sales. Further it can be expected that foreign countries will continue to protect their domestic steel producers as evidenced by the recent ECSC tariff increase.

C.F. & I. and other American steel producers have taken vigorous action to meet the competition of foreign steel and have attempted to bring about a more equitable balance between imports and exports. C.F. & I. has worked diligently to increase the volume and profitability of its sales, and particularly in wire rods, wire and wire products, and reinforcing bars. Large capital expenditures have been made to modernize our plants and increase their efficiency. Manufacturing operations have been consolidated, some marginal product lines have been eliminated, our research program has been broadened, and an aggressive sales program for both domestic and export markets has been maintained.

I have attempted in this statement and in our brief to provide information which will be of assistance to the Commission in preparing its advice pursuant to the Trade Expansion Act. In this connection I have noted that the act specifically refers to an investigation of the conditions, causes, and effects relating to competition between foreign and domestic producers of particular articles.

I submit that the information presented demonstrates that the domestic steel industry—and particularly companies such as C.F. & I. producing wire rods, wire and wire products, and reinforcing bars—has been seriously and adversely affected by the large imports of steel and the great imbalance between imports and exports. I further submit that the trends in imports and exports which I have attempted to describe can only mean that the imports and the imbalance will increase, if certain corrective measures are not taken.

Therefore, I respectfully recommend that the Commission advise the President that there generally should be no further reductions in duties on steel products. As to modifications of duties and import restrictions, I suggest the following:

1. Tariff and nontariff trade barriers among the steel producing countries of the world should be equalized. If necessary to accomplish this objective, U.S. duties should be increased and in the case of barbed wire, which is presently duty free, tariffs should be imposed.

2. In the case of products such as wire rods, wire nails, and barbed wire, where American steel producers have lost 40 to 50

percent of their domestic market, quantitative limitations should be imposed upon imports as an interim measure to correct the imbalance.

We believe that the steel industry of the United States must be kept strong in the interest of preserving our national well-being. We further believe that the several members of the steel industry have exerted their best efforts in the face of discriminatory conditions in order to keep this industry at the highest possible level. We now request your assistance in correcting the conditions which are presently restricting the efforts of the steel industry to achieve this objective.

Again, we wish to express our appreciation for the opportunity to appear before this Commission and for your courtesy and attention.

United States the Target: Heat on in Vietnam

**EXTENSION OF REMARKS
OF**

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 11, 1964

Mr. BOGGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article from the Christian Science Monitor:

UNITED STATES THE TARGET: HEAT ON IN VIETNAM

(By Roscoe Drummond)

SAIGON, VIETNAM.—The Vietcong Communists are miscalculating the fiber of Americans.

They are counting on the U.S. public at home getting so frustrated with this sear war that it will want American troops pulled out as the going gets tougher.

The new tactic of the guerrillas is to center terror bombings on U.S. military personnel who are advising the South Vietnamese, and on their wives and children.

Obviously their purposes are these:

To panic the families of U.S. forces and diplomatic staff.

To cause an evacuation of dependents which would have a most depressing effect on the Vietnamese Government and people.

To persuade the American people that this struggle is too much for them.

And to undermine the morale of American Armed Forces in South Vietnam.

These tactics are not succeeding here. I doubt they are having the effect which the Communists hope they will have in the United States.

But there is every evidence that the guerrillas intend to continue to aim their terror expressly at the Americans in their effort to paralyze U.S. policy.

Three times in recent weeks separate bombings have been directed at U.S. personnel; once in a softball stadium where Americans predominated; again at a downtown movie theater where Americans made up the entire audience. There were deaths and injuries both times.

The third bombing was a highly sophisticated pinpoint attempt to deplete a group of U.S. specialists essential to security—the demolition corps.

This was the technique: Two Communist agents attached a suspicion-looking object to the outside of a house occupied by an American officer. When the officer noticed it on his arrival home, he took the proper and expected action; he summoned a demolition detail. When they arrived in their jeep, a bicyclist pedaled by and aimed a

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grenade at their car. Fortunately it bounced off the windshield and exploded a 3-foot hole in the yard.

When the suspicious object was removed from the side of the house, it was found to be a grapefruit wrapped like a bomb. It was a decoy. The Communist's target was not the house, not the young army officer. It was the crucial demolition detail whom they had lured to the scene, tried to kill—and bungled.

These are grim and ugly incidents. There is no reason to expect that the Vietcong will discontinue them until they can no longer operate with impunity anywhere in South Vietnam. Special teams of United States and South Vietnamese security guards are giving added protection to American residents. But the dangers are just beginning.

What is most encouraging is that the terror bombings are not terrorizing either U.S. troops or their families. There are more than 2,000 wives and children of U.S. military and diplomatic personnel in South Vietnam. So far not more than two have said they would elect to go home. The others have showed no sign of wanting to leave.

This is why I say the Communists are miscalculating the American stamina. Their campaign of terror is not only failing to intimidate; it is clearly having the opposite effect among Americans at every level here. They more than ever are determined to see it through. I would hope—and expect—that most people in the United States would respond the same way. I know that some Americans at home tend to think of this struggle as a hopeless, meaningless war too far away to bear on the vital interests of the United States.

It isn't true. At stake is not only the freedom and independence of 14 million South Vietnamese from a Communist takeover. Their freedom is important but the crucial stage is the security of this gateway to all Southeast Asia, where 200 million free Asians feel the hot breath of Communist China's imperialistic ambitions.

The Communists are aiming their terror tactics at the Americans because they know that without U.S. forces helping South Vietnam, they can unhinge this gate—and have their way.

The 70-Hour Week

EXTENSION OF REMARKS

OF

HON. RALPH HARVEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 11, 1964

Mr. HARVEY of Indiana. Mr. Speaker, under leave to extend my remarks in the Record, I include the following article from the Shelbyville (Ind.) News of March 9, 1964:

THE 70-HOUR WEEK

In Washington, a congressional committee has been listening to arguments for and against the idea of placing an additional penalty on overtime. The idea is that if the Government forced employers to pay double-time for overtime—or even more—the few hours of overtime here and there could be consolidated into some new jobs.

Perhaps the lawmakers ought to call in the postmasters. The Washington Star reports the Budget Bureau has discovered that "many thousands" of substitute post office clerks are working up to 70 hours a week—all at straight time. The regular employees have had their overtime extended, too.

The Star further reports that while the post office workers apparently hold the overtime records, other departments are working a lot of overtime, also.

What's the reason for this? Principally it is that President Johnson has promised that the Federal payroll will not increase in numbers. As this was to be in the interest of economy, and as the work is being done and paid for anyway, it looks like a subterfuge. The money is being spent, even if new employees aren't getting it.

By contrast, the businessman's reasons for not hiring new workers in preference to overtime are many and valid. He doesn't have to fool anyone as the Government is trying to do.

Some overtime is the result of emergencies and rush orders. Some occurs because there are no qualified applicants available. Some is worked because no extra machines or shift time are available to fill the volume of orders. Sometimes an employer avoids hiring a new worker because he knows he would soon have to lay him off when a peak has been passed. Absenteeism also often necessitates overtime.

An additional penalty for overtime work would make goods more expensive for all of us, of course. It probably would make a few jobs, and might destroy some. It could cut the take-home pay of many millions.

If the Government really believes in eliminating overtime to make new jobs, what's going on in the post office?

Our Absurd Farm Programs

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 11, 1964

Mr. ALGER. Mr. Speaker, when farm programs become more ridiculous there is no doubt the Democrats will direct the absurdity. For over 30 years they have been doing an excellent job of reducing American agriculture to the most impossible position of being directed in every move by Washington desk farmers, many of whom have never seen an honest-to-goodness American farm. The once mighty free American agricultural plant is slowly being Sovietized through the process of making free farmers wholly dependent upon the Federal Government.

Soon we will be asked to pile absurdity on absurdity by approving an impossible cotton bill to which has been added a more impossible wheat bill and the American buyers and taxpayers as usual will foot the bill.

As a part of these remarks I would like to call attention to the comment in an editorial from the Chicago Tribune, "Subsidies Galore," and one from the Wall Street Journal, "Accent on Absurdity." The editorials follow:

[From the Chicago (Ill.) Tribune]

SUBSIDIES GALORE

Under stiff White House pressure, the Senate has approved a bill authorizing new subsidies for cotton and wheat. The measure now is in the House where the Johnson administration hopes to twist enough arms to bring quick approval. Any delay in enacting it into law involves the risk that the bill will be too late to affect this year's crops, which means the administration would have

no new handouts to dangle before rural voters in the election campaign.

The proposed cotton program is such an economic absurdity that even the committee chairman, Senator ELLENDER, a Louisiana Democrat, was opposed to it. He agrees with the American Farm Bureau Federation that if Secretary of Agriculture Freeman would administer the present law properly—which means lowering price supports—there wouldn't be any need for a new program and the taxpayers could be saved some money.

The Agriculture Department is caught in a dilemma of its own making because it raised the support price after the Kennedy administration took office and now has cotton running out of its ears. Having stimulated production with high prices, it would be simpler and sounder to undo this mistake by lowering supports to discourage overproduction and make cotton more competitive. But the administration's solution is to pile on more subsidies.

The Senate bill does propose to lower supports from 32.47 cents a pound to 30 cents a pound for the first year, after which the Secretary would have authority to raise or lower them within prescribed limits. But growers of more than 10 acres of cotton who agree to reduce plantings by a third are to get a bonus of 4.5 cents a pound. And growers of 10 acres or less—well over half of all growers—are to be guaranteed 34.5 cents a pound without any cut in acreage, which is a reward to the small, inefficient producers at the expense of the larger, more efficient ones. Moreover, under certain limitations growers may exceed their reduced plantings by 10 percent to produce cotton at the export rate of 24 cents a pound.

But exporters still are to receive a subsidy, as at present, so American cotton can compete abroad at lower world prices. And a new subsidy is to be granted handlers so that domestic mills can buy our own cotton at the same price paid by foreigners. Thus the Government proposes to spoon feed the cotton industry with what in effect are four different subsidies.

The wheat program is a warmed-over version of the same one farmers emphatically rejected in last May's referendum. It guarantees a high price for that portion of the crop consumed domestically and a lower price for export wheat for those farmers who submit to planting controls. But instead of being mandatory, the program this time is being promoted as a voluntary plan, although the price guarantees are purposely set so high that the majority of farmers probably could not afford to stay out of it.

Shortly after taking office, President Johnson issued a statement suggesting he was seeking better farm programs and asking, "How can we use the pricing mechanism of the free market with more vitality than presently?" The obvious answer is to stop finding new ways to subsidize the farm economy. Agriculture and taxpayers generally will be better off if the House rejects this bill.

[From the Wall Street Journal, Mar. 6, 1964]

ACCENT ON ABSURDITY

With the Federal farm program sinking to new depths of foolishness, farmers may be nearing the day when they'll need protection against their would-be political friends.

The program's increasing accent on absurdity is especially evident in the wheat-cotton bill now wending its way through Congress. Seldom has any legislation seemed so well contrived to create costly confusion.

Take the wheat provisions of the bill. A year ago the wheat farmers rejected an administration plan for the tightest Federal regimentation ever, accompanied by a vast increase in the redtape of regulation. Farmers then began holding down their planting, preparing for the first time in decades for something vaguely like a free market.

But the farmers' friends in Washington were unwilling to let that come about. Their solution? Just push through the same program but label it voluntary instead of compulsory.

In addition to a basic support price, each farmer who cut his acreage by 10 percent or so would get certificates to cover an export quota and also a domestic sales quota. If he sold his wheat to a domestic processor, the processor would have to buy the certificates from the farmer. If he instead sold the grain to an exporter, the exporter would have to buy his certificates.

Any farmer could participate or not, as he chose. If he decided to stay out, he would have several choices. He could let his wheat stand in the field or rot in storage, or he could treat it as low-price animal feed. For the usual sales channels would be closed to him.

The reason is that the program would compel processors and exporters to participate; they would have to buy certificates to cover the wheat they purchased. By now most farmers, processors, and exporters must question the claim that the program would be voluntary.

That claim is no more convincing than the argument that the wheat program would save the taxpayers a lot of money. The theory is that processors and exporters, through their purchases of certificates, would assume part of the cost of supporting wheat prices. In reality, the processors would pass along the cost of the certificates to consumers in the prices of their products. And in case the politicians have forgotten, consumers and taxpayers are pretty much the same people.

In cotton, the situation is no less silly. First, Federal supports priced cotton out of world markets, so the U.S. Government began subsidizing exporters. But this made it possible for foreign textile mills to buy U.S. cotton and still undersell American textile mills right in their own backyard. So the Government now proposes yet another subsidy to aid the U.S. mills. If two wrongs did not make a right, it's hard to see how a third will help matters much.

For the cotton grower, too, things would become more confusing. If he agreed to cut his acreage he would get one support price. If he planted his present acres, he would get a lower support. And if he wanted to grow cotton for sale at the lower world market price, he could increase his acreage by around 10 percent.

One of the more ridiculous aspects of all this is that, like the rest of the farm program, it chiefly helps those the politicians are least interested in helping. It ought to be clear that the larger, more efficient farmers, with their lower costs, are the ones who benefit most from the high product prices the programs are intended to bring. The less efficient but politically popular family farmer still has a hard time of it—but the politicians' promises encourage him to hang on.

Some in Congress, nonetheless, presumably view the cotton-wheat bill as a powerful magnet for votes in an election year. But there is a growing number of urban voters, too. One man aware of this is Senator HARRISON WILLIAMS, who urged the other day that Congress "end once and for all the fantastic and costly surpluses bulging in Government warehouses." Mr. WILLIAMS is a liberal's liberal, but he's also a representative of largely urban New Jersey.

If such pressures grow great enough and the farm program continues to plumb new depths of nonsense, the farmers one day may face not an orderly transition to a free market but a wrathful explosion.

Forgotten Yemen War Goes On

EXTENSION OF REMARKS

OF

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 10, 1964

Mr. HALPERN. Mr. Speaker, I am pleased that many of our distinguished commentators have not neglected to emphasize the ironic and damaging circumstances which still prevail in the Kingdom of Yemen.

The U.S. Government actually recognized a Nasserite regime in establishing diplomatic relations with the Yemen rebels. This was not a popular, internal revolt which could claim our sympathy.

The struggle for power goes on, and the United Arab Republic continues its large military operations against the Royalists in an attempt to protect the proxy nationalist government it forcibly created.

Mr. William S. White, writing in the Washington Star of Saturday, March 6, has written a timely piece on the subject. I ask unanimous consent to include the article in the Appendix of the RECORD.

The article follows:

FORGOTTEN YEMEN WAR GOES ON

(By William S. White)

A forgotten war, a 17-month-old war of aggression, still goes on against the ragged, barefoot little kingdom of Yemen in the Middle East.

The invading forces of Nasser Egypt, supplied with Soviet-made tanks and bombers again the rifles and machineguns of the Yemeni royalists, are larger now than 10 months ago, when Egypt agreed to a United Nations-inspected "disengagement" that is no disengagement at all.

Indeed, the United Nations observation mission in Yemen has just conceded that in the single brief period January 3-February 18 Egypt increased its forces by 1,000 to 2,000 men. Young Prince Abduraman Ben Yahya of Yemen, who is in the United States for what looks to be the lost cause of interesting the Western World in Yemen's plight, says 38,000 Egyptian troops are now in his country.

MILLION IN CAVES

One million of his countrymen, he adds, are now living in caves for shelter from Nasser bombers sent by the Soviet Union. Yemen's already pitifully small supply of arms is running out, for reinforcements from Saudi Arabia are obstructed under the U.N. "cease-fire." Rarely has an emissary come to this country in so hopeless a state of affairs. The Royal Yemen Government is no longer recognized, either here or in the United Nations. The so-called democratic revolution which dislodged it—with the massive help of Egyptian military forces—was granted, during the Kennedy administration, an American recognition which necessarily is now maintained.

The Prince, therefore, has no official status here; there is no one to whom—officially—he can put his case. What he hopes for, nevertheless, is some indirect assistance for Yemen, by which he really means some decision by Washington to put pressure on Nasser to cease his attacks.

How the United States could now reverse itself is not easy to see, for the water of much irrevocable history was flowed under the bridge since this country bought the view that the revolution against the Yemen royal regime was what it was presented to be—an honest, local uprising to procure a more democratic society.

What was not understood then was that the revolution was in fact a Nasser export. What is now crystal plain is that though American recognition was granted to the new regime on condition that Nasser then arrange to withdraw his forces, he has increased them instead.

Monarchal governments—even such a pathetic little tribal "monarch" as was involved in Yemen—are not popular any more. Anybody who comes along with the claim that he represents a "forward-looking" reform to get rid of such old-fashioned arrangements is automatically looked upon with favor. Royalty has a hard time getting a hearing, as the royal regime in Yemen did in this instance.

It is, at all events, not too late to examine this case example of how sincere Western advocates of free government in the State Department are taken in by phony revolutions pumped up as movements for "freedom and independence" by the foreign agents or collaborators of Moscow.

A bit more reserve before we granted recognition so many months ago would have changed the whole picture. Nasser might now be back in Egypt instead of beating down the tribesmen of Yemen, crying slogans that everybody must be "forward-looking" while Soviet weapons are driving a helpless, ignorant, and hopeless people much further from real freedom than they have ever been before.

ARRIVE IN 6 DAYS

For the truth is that within 6 days of the outbreak of what was advertised as an authentic, home-grown revolt against the Yemen royal government by democratic forces, Egyptian troops were on Yemen's soil. They had to come by sea—and 6 days is the minimum time in which to mount such an amphibious operation from Egypt. If this did not show whose "revolution" this really was, what did it show?

Finally, we could usefully look back a bit further than all this. We could look back to 1956, when this Nation joined the Soviet Union in the United Nations in condemning as an "aggression" against Nasser Egypt the attack made in actual self-defense by the British, the French and the Israelis to try to strike Nasser's throttling hands from their lifeline, the Suez Canal.

When Nasser Egypt attacks somebody it is never aggression under the peculiar definitions of the United Nations.

Homeowners Honor Builder

EXTENSION OF REMARKS

OF

HON. JAMES ROOSEVELT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 5, 1964

Mr. ROOSEVELT. Mr. Speaker, it has long been my contention, and justifiably so, I am convinced, that the 26th Congressional District of California is quite outstanding. Something has just happened which is so unusual and dif-